

**Joint Press Statement of the Meeting of The ASEAN Heads of Government and the Prime Minister of Australia**  
**Kuala Lumpur, 7 August 1977**

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1. On the invitation of the ASEAN Heads of Government the Prime Minister of Australia Mr. Malcolm Fraser, met the ASEAN Heads of Government in Kuala Lumpur on 7 August 1977 upon completion of the Meeting of the ASEAN Heads of Government, The Meeting with the Prime Minister of Australia as attended by President of the Republic of Indonesia, General Soeharto; the Prime Minister of Malaysia, Datuk Hussein Onn; the President of the Republic of the Philippines, Mr. Ferdinand E. Marcos; the Prime Minister of the Republic of Singapore, Mr. Lee Kuan Yew; and the Prime Minister of Thailand Mr. Thanin Kraivixien.
2. The Meeting was held in a friendly and cordial atmosphere reflecting the traditionally close ties between Australia and the ASEAN countries.
3. This was the first occasion on which Australia and the Association of Southeast Asian Nations had met together at Head of Government level. The five ASEAN Heads of Government and the Australian Prime Minister agreed that this historic meeting had been of the greatest value in furthering the strong and friendly ties that have linked Australia with these five countries for more than three decades. The ASEAN Heads of Government and the Prime Minister of Australia agreed that this meeting at the highest level demonstrated their mutual desire to enhance ASEAN - Australia cooperation.
4. The Prime Minister of Australia was informed of the progress and achievement of ASEAN, in particular since the Meeting of the ASEAN Heads of Government in Bali in February 1976. He was also informed of the Results of the Meeting of the ASEAN Heads of Government in Kuala Lumpur. It was emphasized that ASEAN was established for the purpose of promoting economic social and cultural cooperation in Southeast Asia and that significant and substantial progress has been achieved in ASEAN cooperation. It was reaffirmed that cooperation would be further enhanced as a result of the recent Meeting of the ASEAN Heads of Government.
5. The Prime Minister of Australia welcomed the vital role being played by ASEAN in ensuring peace, stability and prosperity in Southeast Asia and, in particular, for the positive steps taken by ASEAN towards strengthening regional cooperation in accordance with the programme of action adopted at the Meeting of ASEAN Heads of Government Bali. The Prime Minister of Australia congratulated the ASEAN Heads of Government on the concrete results achieved at the recent Meeting in Kuala Lumpur.
6. The ASEAN Heads of Government and the Prime Minister of Australia reviewed the development of ASEAN/ Australia cooperation. They recalled that Australia had been the first country to establish formal relationships with ASEAN in 1974, and agreed that relationship between ASEAN and Australia were strong and constructive. They further noted that the continuing cooperation and dialogue between ASEAN and Australia were clear evidence of this state of relations. They, referred in particular to the third meeting of ASEAN and Australian officials in Solo, Indonesia in May 1977, which resulted in

the establishment of the ASEAN Australia Forum.

7. The ASEAN Heads of Government expressed their satisfaction with the progress made in the five projects under the aegis of the ASEAN Australia Forum. They noted in particular the substantial progress made in establishing the protein projects, aimed at improving protein food in the ASEAN countries, and the food handling projects.
8. The Prime Minister of Australia informed the ASEAN Heads of Government that Australia would take a series of measures to enhance the quality of Australia's development assistance to ASEAN countries. These measures were:
  - a) new commitment of AS 10 million to support joint development projects under the ASEAN Australia Economic Cooperation Programme the original pledge of AS 5 million is now almost fully committed. Such funds would enable the further expansion of existing programmes and the development of new proposals. ASEAN Heads of Government welcomed this initiative and undertook to suggest further activities to be carried out under this programme;
  - b) an undertaking to contribute to aspects of agreed ASEAN regional industrial projects as they become more fully defined, within the skills and resources available from Australia;
  - c) a decision to increase the level of Australia's existing bilateral aid to ASEAN member countries by A\$ 90 million to A\$ 250 million. The Australian Government will, in the course of coming months discuss with each country the implications for them and negotiate details of their country programme;
  - (d) an extension of untying of Australia's aid so as to allow greater procurement from within the ASEAN region of materials and equipment having substantial local content.
  - e) adoption of the principle of paying local costs associated with and projects in ASEAN countries by funding up to 50% of projects costs or the estimated foreign exchange component, whichever is the greater.
  - f) greater participation by Australia in co- financing arrangements with a view to more effective and efficient allocation of aid funds where this is considered appropriate by the recipient country; and
  - g) sponsorship of an ASEAN/Australia Investment Seminar which had been proposed by ASEAN.
9. Australia also agreed to meet the cost of a Joint ASEAN/Australia Research Project. The aim of the Joint Research Project would be to establish a sound basis of knowledge from which a long-term economic relationship between ASEAN and Australia would be developed. Further details on this project would be developed within the framework of the ASEAN Australia Forum.
10. The ASEAN Heads of Government expressed appreciation for all these initiatives in the field of economic cooperation, noting they would be in the form of grants. They recognised that these initiatives would give added impetus to the ASEAN/Australia

relationship.

11. The ASEAN Heads of Government expressed interest in Australia giving scientific and technical cooperation a large role within Australia's development assistance programme. The Prime Minister of Australia recognised the importance of this matter and stated that Australia would give such assistance.
12. The ASEAN Heads of Government, while appreciating the domestic economic problems faced by Australia at the moment, expressed the strong wish to increase their share of trade with Australia. The ASEAN Heads of Government and the Prime Minister of Australia agreed that they should improve the consultative mechanism to promote further a cooperative and constructive approach to the development of mutual trade relations, and that in this regard the Foreign Ministers would make appropriate proposals to their respective Governments at the earliest opportunity.
13. The ASEAN Heads of Government and the Prime Minister of Australia expressed their continuing interest in improving the climate for international economic cooperation. In particular they underlined the importance of achieving solutions to the outstanding problem, of developing countries as identified in the final session of the Conference on International Economic Cooperation, in May 1977, as well as in other international fora. They agreed that urgent positive steps taken on these North-South issues, including the various elements of the Integrated Programme for Commodities, would make for greater equity and stability in International trade